

[26 April, 2001]

RAJYA SABHA

**Steps to protect SSI**

4544. SHRI VEDPRAKASH P. GOYAL: Will the Minister of SMALL SCALE INDUSTRIES AND AGRO AND RURAL INDUSTRIES be pleased to state:

(a) whether Government are aware of the fact that the Small Scale, Agro and Rural Industries are facing severe threat from dumping of cheap foreign made goods and as per market estimates 40 per cent markets are flooded by these goods;

(b) what steps are being taken by Government to protect these industries;

(c) the study, if any, conducted in this regard as why our domestic small and cottage industries, are not able to withstand the competition;

(d) if so, what are the findings thereof; and

(e) the steps proposed by Government in this regard?

THE MINISTER OF STATE OF THE MINISTRY OF SMALL SCALE INDUSTRIES AND AGRO AND RURAL INDUSTRIES (SHRIMATI VASUNDHARA RAJE): (a) and (b) Government have received information concerning unfair trade practices leading to import of cheap consumer goods causing injury to the domestic industry including small scale, agro and rural industries. The threat of injury to domestic products is being addressed through anti-dumping action, raising customs duty upto the bound levels and safeguard measures under the relevant WTO agreements.

The Designated Authority appointed by the Government of India for conducting Anti-Dumping investigations in India has till date recommended imposition of anti dumping duties in 64 cases, preliminary duty in 19 cases and 6 cases are under investigation. The Government have also issued notification requiring compliance of all the conditions of the Standards of Weights and Measures (Packaged Commodities) Order, 1977 on imports as applicable to domestic producers. Exporters to India of 131 products shall be required to register themselves with Bureau of Indian Standards (BIS) and their

products must comply with mandatory Indian quality standards. An inter-ministerial group under the Chairmanship of Commerce Secretary has been constituted to assess the impact of removal of quantitative restrictions and suggest suitable corrective measures.

(c) to (c) Government is constantly monitoring the impact of the WTO Agreements on the economy including the small scale, agro and rural industries in the country. The removal of Quantitative Restrictions (QRs) have exposed the Small Scale Industries (SSIs) to greater competition. Hence, Government have put in place several measures to help our industries become globally competitive. These include special focus on areas such as technology upgradation, infrastructure assistance through cluster approach, timely availability of credit, adoption of modern management practices, use of electronic infrastructure and other IT applications to face the emerging challenges of trade liberalization. A comprehensive policy package for the development of SSIs has been announced on 30th August, 2000. The policy package will enhance the competitiveness of SSIs through easier access to credit, availability of collateral free composite loan upto Rs. 25 lakhs capital subsidy for technology upgradation and improved infrastructure.

#### **Production of Khadi**

4545. SHRI K. C. KONDAIAH: Will the Minister of SMALL SCAEL INDUSTRIES AND AGRO AND RURAL INDUSTRIES be pleased to state:

(a) the production of Khadi during 2000-2001 upto the end of January, 2001 in Karnataka from the certified Khadi and Village Industries;

(b) whether Khadi and Village Industries Commission is having a rate contract with DGS&D;

(c) if so, how many Khadi and Village Industries institutions of Karnataka have been supplying Khadi to various Government departments;